



FUTURE-READY NOW

In today's rapidly changing world – shaped by geopolitical shifts, technological advancements and evolving societal expectations – being future-ready is essential. HR functions need to anticipate the impact of these trends and prepare the organisation to respond.

To address this challenge, CRF and BTS convened a diverse group of senior HR leaders from a wide range of industries, including FTSE 100 companies and private equity-backed firms spanning sectors such as health, law, finance and hospitality, to explore what 'future-ready' means for their teams and organisations. With additional research insights shared by Jenny Dearborn, Chief People Strategy Officer at BTS, the discussion focused on navigating external challenges, the transformative impact of AI and the evolving role of the HR leader.



FUTURE-READY NOW



OPENING REMARKS FROM BTS

In the context of our roundtable discussions on creating future-ready organisations, the BTS ethos closely aligns with the challenges and opportunities discussed. As the 'unconsultant' consulting firm, BTS offers a unique approach that inspires and equips leaders and organisations to thrive amidst complexity, uncertainty, and rapid evolution. Our guiding principle, Strategy Made Personal, reflects our commitment to co-creating bespoke solutions that empower organisations to execute their strategies effectively and adaptively.

BTS recognises that no two companies face identical challenges; each operates within a distinct strategic context that demands tailored interventions. Our strength lies in fostering institutional wisdom, partnering to enable clients to pivot swiftly while reinforcing their unique cultural fabric – a theme echoed in the roundtable discussions on maintaining alignment in a BANI world.

The insights from the roundtable underscore the importance of leadership development, transparency, and adaptability. In our work, we have similarly found that these pillars are the foundation for the simulation culture that we believe is the key to creating future-ready leaders and agile, successful organisations. By modeling current-world and potential future scenarios in a risk-free environment, our customised business simulations allow leaders at all levels to practice decision-making, anticipate outcomes, explore optionality and align actions with strategic objectives. This approach not only enhances business acumen but also fortifies leaders' shared understanding of what matters in order to navigate ambiguity and set clear expectations for the rest of the organisation.

AI's transformative potential, a significant focus of the discussion, complements our simulation methodology. We see how effectively AI-powered simulations elevate experiential learning by delivering immersive, real-time insights, enabling leaders to test strategies at scale and refine them iteratively. This resonates with the roundtable's emphasis on evidence-based practices and leveraging technology to drive organisational design and transformation.

As organisations confront the pressing need for future-ready talent pipelines, BTS continues to lead by integrating simulation culture into leadership development. By aligning individuals with organisational priorities, fostering adaptability, and emphasising execution, we enable our clients to meet the demands of a rapidly shifting world, ensuring not just survival but success in the face of disruption.

FURTHER RESOURCES

BTS. 2024. [Simulation Culture](#). Jessica Skon, Global CEO of BTS Group, has a conversation with Andrew Wilson, Presenter, The Forum Interviews, on Simulation Culture, Davos

BTS. 2024. [Less Theory, More Action: Why Simulations Belong in Your Leadership Training](#). Training Industry Magazine

BTS. [Strategy Planning Reinvented: The fast path to action and ownership](#). BTS Fearless Thinkers podcast, explores the evolving landscape of strategic planning for senior leaders.



BTS. 2024. [Why Even the Best-Intentioned Leadership Development Efforts Often Fail](#). A holistic approach to leadership development fosters adaptability, resilience, and alignment with organisational strategic goals.



ABOUT BTS

BTS competes in both talent and HR consulting as well as the traditional consulting markets. BTS's services support a broad range of client challenges including top-to-bottom and on-demand leadership development, talent selection and readiness, strategy creation and strategy implementation, as well as culture and broad-scale change. For over 35 years, BTS has been focused on the people-side of change and on powering better performance using proprietary simulation, learning, coaching, and assessment methodologies. We partner with nearly 1,200 organisations, including over 40 of the world's 100 largest global corporations.



FUTURE-READY NOW

THE BUSINESS ENVIRONMENT: PLANNING FOR THE FUTURE



in LINKEDIN

RICHARD HARGREAVES is responsible for the sustainable growth of CRF through delivering world-class HR content, facilitating knowledge exchange between HR professionals, focusing on future ventures and developing a great team. Prior to this role Richard was Commercial Director across CRF and PARC and previously the EMEA Sponsorship Director at The Economist Group.

CRF's Managing Director **Richard Hargreaves** outlined the main external factors impacting organisations, as identified in CRF's [HR Manifesto](#). These are captured within the framework of a 'BANI' world:

BRITTLE Global systems are increasingly interconnected, yet highly vulnerable and weak.

ANXIOUS Organisations are constantly anticipating the next crisis.

NON-LINEAR Events no longer unfold in predictable or proportional ways.

INCOMPREHENSIBLE The pace of change is rapid, and solutions are not always clear.

These factors are deeply interconnected and vary in their pace of impact. For instance, demographic shifts may occur slowly, while technological disruptions happen much more rapidly. The HR leader has a critical role to play in identifying these trends and interpreting the implications for their organisation.

Attendees identified several **challenges** their organisations face in adapting to this complex environment:

- Balancing societal expectations with organisational responsibilities:** For example, should organisations bear the full burden of consumer protection, or should consumers take greater responsibility for their choices?
- Talent shortages:** The lack of UK graduates with the necessary skills continues to hinder organisational growth.
- Short-termism versus long-term planning:** Many organisations face tensions between addressing immediate challenges and investing for the future.
- Leadership focus:** The past few years have eroded many leaders' confidence. Meanwhile, shorter CEO tenures are driving a heightened focus on short-term results.
- Fragmented leadership teams:** Executive committees often operate as collections of individuals rather than cohesive, unified teams.
- Uncertain talent pipelines:** Building future talent pipelines is critical, though the exact requirements for future skills and roles remain unclear.

Attendees discussed various **strategies** to help organisations address these challenges and thrive in an increasingly complex world:

- Geographical diversification:** Reducing reliance on a single market mitigates risks arising from localised disruptions.
- International recruitment:** Expanding recruitment efforts to access broader, global talent pools.
- Differentiation strategies:** Organisations can stand out through superior customer service or by leveraging new technologies to create a competitive edge.
- Sense-making:** HR leaders must excel in interpreting weak and strong signals from diverse data sources. They should also create narratives that help employees make sense of the changing environment without feeling overwhelmed, collaborating with internal communications teams where necessary.
- Embracing discomfort:** Attendees emphasised the importance of embracing the 'messiness' of today's world and becoming comfortable with discomfort.
- Transparent communication:** Tough decisions, such as freezing salaries or cutting bonuses to protect jobs, can erode trust. HR must prioritise transparency to educate employees about market realities and take steps to rebuild trust proactively.
- Leadership coaching:** Supporting leaders to articulate confidence and clarity amidst ambiguity is critical. HR professionals should help leaders shift from reactive, short-term thinking to a more strategic, forward-looking mindset.



FUTURE-READY NOW

FURTHER READING

CRF. 2020. [HR's Agenda in the Organisation of the Future](#)

CRF. 2024. [A Manifesto for Future-Ready HR](#)

CRF. 2024. [Reskilling for Sustainable Growth](#)

2025 CRF PROGRAMME

CRF's 2025 programme will help businesses prepare for the rapidly changing external context through focusing on three key themes:

- 1 > Strategies to prepare the individual, the function and the organisation for future success amid a challenging environment.
- 2 >> Creating a culture of innovation, inclusivity and growth.
- 3 >>> Driving organisational productivity through better understanding of workplace psychology and technology.

The full 2025 programme is available [here](#). If you have any questions, or to sign up for further updates, please contact events@crforum.co.uk.



crf UPCOMING EVENTS



The Changing Role of the HR Leader



Tuesday 18 March, London



Tuesday 25 March, Online

Register



crflearning

OPEN PROGRAMME
[Aspiring Group HRD](#)

Incorporating the insights of current board-level HRD's, this programme is tailored to develop participants capability in the areas most required. A great HR function builds people and organisational capability to deliver business strategy. CEOs expect their HR leaders to have functional expertise, but also require their HRD to be a commercially focused business leader.

NAVIGATING THE AI REVOLUTION: IMPLICATIONS FOR TALENT, LEARNING, AND LEADERSHIP



in LINKEDIN

JENNY DEARBORN, Chief People Strategy Officer at BTS and Founder of Actionable Analytics Group, is a recognised authority in HR, HCM, the Future of Work, and data analytics. Named one of the 50 Most Powerful Women in Tech for five consecutive years, she has advised and supported Human Capital Management and EdTech start-ups from Seed to IPO. Her first book, *Data Driven*, was selected as a top-10 pick for 'What Corporate America is Reading,' and her follow-up, *The Data-Driven Leader*, was published in 2017. Jenny is a regular contributor to USA Today, Forbes, Huffington Post, and Fast Company. She previously held executive roles at SAP, SuccessFactors, Sun Microsystems, and Hewlett-Packard, where she led award-winning teams that delivered measurable business impact.

Jenny Dearborn shared insights on the transformative impact of AI and emerging technologies on organisations, particularly in the areas of talent development and leadership.

CONTEXT

- + AI should be seen as the latest tool in a long history of innovations aimed at simplifying and enhancing our lives.
- + Employees may fear job displacement or struggle to keep up with the pace of technological change. Organisations must prioritise effective storytelling and communication to alleviate these concerns.
- + Humans who use AI will outperform those who don't, and companies whose employees embrace AI will gain a competitive edge in market share. The key challenge is determining which tasks should be handled by humans and which can be entrusted to technology.

AI AND HR

AI will likely lead to a bifurcation in HR functions, splitting them into two distinct areas:

- + **Highly-Automated HR:** AI will initially transform functions like talent acquisition, automating repetitive tasks such as CV screening and candidate shortlisting. Sub-functions that are currently labour-intensive and have the largest teams will experience the most significant impacts.
- + **Highly-Experiential and Human-Centric HR:** Other functional areas that require a human touch are less likely to be replaced by AI and will remain more experiential and relational.

The Chief Human Resources Officers (CHROs) of the future will need to specialise in job and organisational design – supported by technology where relevant – in order to respond to the above changes.



FUTURE-READY NOW

IMPACT OF EXTERNAL TRENDS ON TALENT, LEADERSHIP AND LEARNING

Jenny Dearborn and attendees shared the following ways AI and other external trends are impacting the organisation, as well as how HR leaders can respond:

SHIFTING LEARNING DYNAMICS

- Traditional training methods relied on informal learning through observation in physical office environments. Employees would grow into leadership roles over time, with the best rising to the top. Today's remote work environments and reduced generational replacement rates necessitate a more structured approach to learning and development.
- With fewer opportunities for real-world practice, organisations must invest in simulations and other tools to teach skills previously acquired through observation.
- Personalised learning pathways tailored to individual needs and organisational goals are essential for aligning talent development with workforce demands.

LINE MANAGERS AND TALENT DEVELOPMENT

- Recent research shows fewer individuals aspire to management roles, seeing them as high-risk and low-reward. Leadership roles are often associated with inadequate training, heightened accountability and minimal financial incentives. This leadership pipeline crisis also stems from shifting motivations; while loyalty or a sense of calling once drove individuals to leadership, shorter tenures and evolving expectations have eroded these incentives. This raises questions concerning talent development and creating sustainable talent pipelines that organisations will need to address.
- Standardised team structures can overburden managers, limiting their ability to nurture talent. Organisations must design teams that allow leaders time to lead and develop future talent while being transparent about the implications of neglecting this.

EVOLVING WORKFORCE EXPECTATIONS

- Younger generations bring different expectations shaped by experiences like digital learning during the pandemic; while valuing technology, they also emphasise the importance of face-to-face interactions and human connection.
- Understanding what the next generation wants is crucial, as they will shape the future of leadership.

WORKFORCE SKILLS

- The global workforce lacks sufficient skills to meet organisational needs, exacerbated by rapid technological and societal changes. HR must take a proactive role in addressing these gaps – traditional methods of workforce development are no longer sufficient.
- Whilst younger generations may lack certain critical skills required by today's world of work, attendees cautioned against blaming this on perceived generational differences; previous generations have faced similar critiques that did not always hold true. Rather than viewing generations as isolated segments, organisations should adopt a more longitudinal perspective and consider the impact of age and demographics on the workforce.
- Recruitment processes should prioritise learning agility and adaptability, as employees are likely to work longer and face constant change in their careers.

TECHNOLOGICAL AND SOCIETAL RESPONSIBILITY

- Rising unemployment due to automation and AI may shift workplace expectations. Leaders must consider not only technological capabilities but also societal responsibilities. Reflecting on the future, organisations should ask: in 20 years, what actions will we be proud of, and what will we regret?

ORGANISATIONAL DESIGN CHALLENGES

- Organisational design is a critical yet often overlooked skill. It is essential for setting up organisations for long-term success, though is difficult to implement when the pace of change is so quick.

EVIDENCE-BASED PRACTICES

- HR professionals need to integrate more evidence-based approaches into their work. This includes combining data-driven insights with practitioner expertise, which is also a valuable form of evidence.



FUTURE-READY NOW

WHAT CEOs WANT: HR'S STRATEGIC ROLE

Jenny Dearborn shared an overview of her research regarding what CEOs ask executive search partners to look for when hiring a CHRO. This identified two key profiles for CHROs, revealing a disconnect between organisational needs and current HR training approaches:

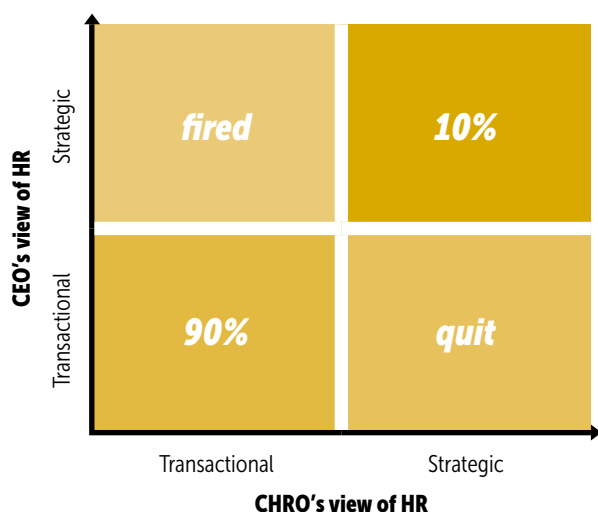
PROFILE 1

Leaders who have scaled HR functions during periods of growth, demonstrating the ability to build systems from the ground up.

PROFILE 2

Professionals with a degree in applied sciences, followed by consulting experience and as well as experience in the business outside of HR (such as in sales or product). Recruiters place less emphasis on CHROs' knowledge of AI, viewing it as a tool rather than a defining capability. Instead, they prioritise the ability to apply analytical models to solve complex problems, influencing and creating compelling narratives to align stakeholders.

However, there is often a gap between CEOs and CHROs perception of HR. This disconnect, often referred to as the 'influence paradox,' highlights the disconnect between how can be mapped onto the below 2x2 matrix:



- » **Bottom left quadrant:** Both parties share a transactional view of HR, focused on being reactive and administrative. This occurs around 90% of the time.
- » **Top right quadrant:** When CEOs understand the strategic potential of HR and CHROs operate at this level. This occurs around 10% of the time.
- » **Top left quadrant:** CEOs with a high-level view of HR often lose patience with under-performing CHROs, leading to replacements.
- » **Bottom right quadrant:** CHROs operating at a strategic level may grow frustrated with CEOs who undervalue HR, prompting them to leave.

Both the bottom left and top right quadrants create strategic alignment between the CEO and CHRO. Additionally, the above perceptions are not necessarily set at an organisation; HR leaders can influence CEOs to adopt a more strategic perspective of HR. At many organisations the CHRO is evolving into a strategic partner to the CEO, with potential pathways to the CEO position itself.

BUILDING THE NEXT GENERATION OF HR LEADERS

Attendees outlined the following skills which will be critical to future CHROs:

- + Commercial Acumen (*the ability to speak the language of the business and understand its drivers*).
- + Problem Solving (*simplifying complex problems and creating solutions*).
- + Acting as a trusted partner to the CEO and other senior leaders.
- + Storytelling through creating narratives that inspire confidence in the organisation's future.
- + Acting with compassion.

The above characteristics can also be viewed as essential leadership capabilities. HR professionals must develop these leadership abilities to effectively influence and guide organisational leaders.

The demands on HR leaders are substantial, with many experiencing burnout. Additionally, HR often contends with reputational challenges, frequently being blamed for organisational problems that extend beyond its scope or control.



FUTURE-READY NOW

KEY TAKEAWAYS



in LINKEDIN

JAMES BLAKER works as a thought partner to talent and organisational development leaders across Europe, North America and Asia. His role is two-fold: to engage global talent leaders and leverage BTS resources to guide individual and organisational decisions across a variety of human capital areas. His clients include FTSE 100 and Fortune 500 corporates, as well as government departments. He has worked with senior leaders across a wide range of industries including the energy, pharma and tech arenas.

James Blaker, Senior Vice President at BTS, summarised the following insights from the session:

01

Navigating a Changing Environment

The current business landscape demands organisations to skilfully balance immediate challenges with long-term opportunities. HR professionals are pivotal in shaping strategies that prepare their organisations to thrive in a volatile, uncertain world.

02

AI and Adaptability

While AI is a powerful tool for navigating rapid environmental shifts, its true value lies in how organisations integrate it with human ingenuity.

03

Stronger HR and CEO Partnerships

The future of HR lies in forming robust partnerships with CEOs to address pressing organisational challenges and drive strategies that create stakeholder value.

BTS supports organisations to respond to the above in the following ways:

- Embedding simulation culture into leadership and strategy development, allowing organisations to test and refine their approaches in a risk-free, iterative manner.
- Through BTS's data-driven business simulations, leaders can experiment with AI-enhanced strategies, enabling informed decision-making and alignment with broader organisational goals. This approach fosters confidence and resilience, critical traits in a world of accelerating change.
- BTS's philosophy of Strategy Made Personal equips HR leaders to act as trusted advisors who not only support but also lead transformative change. By leveraging tools like simulations, BTS helps HR leaders and CEOs collaborate effectively, fostering alignment, execution, and cultural adaptation at scale.

A future-fit HR function needs to be at the heart of strategic decisions, bringing deep understanding of the organisation and workforce as well as insightful analysis of the external environment into discussions. HR leaders need to understand how the organisation works and how power flows, combining this with integrity to become a trusted influencer to the CEO and other leaders. HR must continue to develop its own capabilities, investing in learning and upgrading the skills of the function, bringing together commercial acumen, great people judgement, leadership and deep expertise.

SUGGESTED NEXT STEPS FOR THE ROUNDTABLE AUDIENCE

- **Foster Collaboration between HR and CEOs:** Build stronger partnerships between HR leaders and CEOs to tackle complex challenges. Align HR strategies with business objectives to ensure both short-term resilience and long-term success.
- **Leverage AI for Strategic Advantage:** Use AI to complement human decision-making, not replace it. Invest in AI-powered business simulations to test AI-enhanced strategies, ensuring leaders make informed, data-driven decisions.
- **Focus on Transparent Communication:** Promote transparency, particularly when making tough decisions, to rebuild trust and maintain alignment across teams. Emphasise open dialogue about the challenges and opportunities in today's rapidly changing environment.
- **Develop Future-Ready Talent Pipelines:** Address skills gaps by prioritising learning agility and adaptability in recruitment. Create tailored learning pathways that align talent development with the evolving demands of the organisation and market.
- **Embrace Simulation Culture:** Adopt immersive, real-world simulations to enhance leadership development and decision-making capabilities. These tools allow leaders to practice and refine strategies in a risk-free environment, improving adaptability and strategic alignment.